PSJ3 Exhibit 401

Message

From: Ducca, Anita [aducca@hdmanet.org]

Sent: 9/26/2007 3:59:35 PM
To: aducca@hdmanet.org
CC: pritter@hdmanet.org

Subject: FW: HDMA DEA Strategy Meeting - Availability Response Requested on Alternative Dates

TO: RAC and FGAC Committee Members:

CC: GPPC Members and identified Key Contacts

I have had initial feedback from some of our members that October 10th and 11th may not be convenient. Thus, I'd like to amend the request and suggest an additional set dates as possibilities for holding a DEA strategy meeting.

If you could indicate if you are available on *either* or *both* of the following two sets of dates, **by Friday morning, Sept. 28,** I would appreciate it:

October 10 - 11 and/or October 16 - 17

Please respond again even if you have gotten back to me on the earlier e-mail, so that we can assess what would work best for all involved. I apologize for any confusion this may cause and hope that we are able to find a date that works best for all.

Regards, Anita

703-885-0240

From: Ducca, Anita

Sent: Tuesday, September 25, 2007 6:24 PM

To: Ducca, Anita

Cc: Pam Ritter (pritter@hdmanet.org)

Subject: HDMA DEA Strategy Meeting - Availability Response Requested by Thursday Sept. 27

TO: RAC and FGAC Committees

CC: GPPC

(Also to be provided to Key Contacts of HDMA distributor members who do not current have a representative on one of these Committees)

Dear HDMA Committee Members:

Given the intensity and impact of the Drug Enforcement Administration's (DEA) recent actions, and the concerns expressed by HDMA's Executive Committee last week, HDMA recommends developing a comprehensive DEA strategy.

I'm requesting feedback, **by COB this Thursday, September 27** regarding your interest and availability for a 2-day HDMA meeting tentatively to be held on **Wednesday and Thursday, October 10 and 11** at HDMA's offices, or a nearby hotel. We would end the second day in the early-mid afternoon to meet flight schedules.

Our initial thoughts are to review the major DEA issues (Suspicious Orders, Methadone, In-Transit Losses, and the Proposed rule to obtain retailers' PSE compliance self-certification), then develop specific policy positions and supporting information for them, as well as an overall strategy for identifying solutions and accessing decision makers. We would also comprehensively assess HDMA's role in future DEA interactions.

Specific topics could include:

- Potential impacts of a "voluntarily" restriction on 40 mg methadone distribution. If we object to a voluntary distribution, on what grounds, are there alternatives, and what strategies can we use to express our concerns? Alternatively, if no one objects, should we communicate that view to the DEA?
- Similarly for suspicious orders. Are there alternatives we can propose to DEA, or specific objections we should raise? What supporting information exists, can we develop a strategy for DEA's concerns, who should be involved?
- DEA has stated that if we do not develop business practices for In-Transit Losses, they will issue a regulation. We suggest discussing specific elements of a set of business practices appropriate for wholesale distributors. If there are objections to developing business practices we had not considered before, should we alternatively recommend specific requirements to DEA for their regulation?
- Discuss the recent proposed rule, DEA's statutory authority to require wholesale distributors to obtain retailers' PSE compliance self-certification number, and potential compliance issues. Discuss points to include in a written response. (The link to the proposal is: http://a257.g.akamaitech.net/7/257/2422/01jan20071800/edocket.access.gpo.gov/2007/E7-18530.htm)
- Develop a strategy for outreach to appropriate decision makers, such as DEA staff, the Hill, other federal agencies who may be supportive, e.g., OMB or the Small Business Administration.
- What, if any, legal options do we have to address all the above?
- Other DEA issues that may arise and future DEA strategies, e.g., Should we have regular meetings with DEA? Are there other stakeholders might we jointly work with on these issues?

We will refine this tentative agenda as we hear from you. If there is sufficient interest among our members in this 2-day meeting, we will also invite DEA staff to present their views and answer questions. But strategy discussions would be held after they finish and leave.

Given the need to keep up with DEA's fast pace, we also request that those attending be prepared to fully assess the impacts and are authorized to speak on, and agree to, policy and strategy decisions on behalf of their companies.

If you wish to participate and are available on the tentative dates (Oct. 10 & 11) I would appreciate hearing from **by COB this Thursday, Sept. 27**. Please copy my assistant, Pam Ritter <u>pritter@hdmanet.org</u> on your response. It would also be helpful to tell us if you wish to bring others from your company and how many so we can determine if we'll need hotel space.

If others from your company should see this e-mail, please forward it to them but **we ask that you do not circulate this outside your offices**, as this is an HDMA distributor member meeting (only). I will let you know shortly after Thursday the results of this request.

I'll be happy to answer questions in the meantime.

Regards,

Anita

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